

PENNSYLVANIA STATE EMPLOYEES' RETIREMENT BOARD

SECURITIES LITIGATION COMMITTEE CHARTER

I. PURPOSE.

The Securities Litigation Committee's (the "SLC") purpose is to assist the Pennsylvania State Employees' Retirement Board (the "Board"), which conducts business as the State Employees' Retirement System, and acts as trustee of the State Employees' Defined Contribution Plan, and as trustee of the Commonwealth's IRC §457 Deferred Compensation Plan (collectively, "SERS"), in fulfilling its oversight responsibilities in the area of securities litigation, including but not limited to class actions involving securities fraud, antitrust, appraisal, and/or common law-based causes of action. This Charter is supplemental to the authority previously granted by the Board to the SLC in Resolution 2019-73 adopting the Third Amended Securities Litigation Policy (the "SLP"), and/or in any preceding or subsequent amending Board resolutions (collectively, the "Board Resolutions"), and does not in any way amend those Board Resolutions or the SLP duly adopted by the Board. In case of a conflict between this Charter, on the one hand, and any Board Resolutions or the SLP, on the other hand, the duly adopted Board Resolutions or the SLP shall control.

II. AUTHORITY.

The Board has delegated all necessary power and authority to the SLC to perform the duties and responsibilities described in this Charter, as well as in the Board Resolutions and the SLP, and as may otherwise be delegated by the Board from time to time. Except as expressly granted in Board Resolutions, the SLP, and herein, nothing in this Charter shall be construed as giving the SLC the authority to take any action on behalf of the Board or Board Chairperson without first obtaining the approval of the Board.

III. COMPOSITION.

The SLC shall consist of three (3) to five (5) current members of the Board, who may be the designees of Board members as provided in the Bylaws (the "SLC Members").

The terms of appointment for SLC Members shall be as provided for in the Bylaws.

IV. MEETINGS.

The SLC shall meet upon request of the SLC Chair or a majority of the SLC Members. The SLC may invite members of SERS management, the SERS Chief Counsel's Office (the "CCO"), and other SERS staff to attend meetings and provide pertinent information as it deems necessary or desirable. The SLC Chair shall request that the Secretary of the Board provide notice of meetings in accordance with the Bylaws.

V. RESPONSIBILITIES.

- A. The CCO shall keep the SLC informed concerning SERS' securities litigation activity.
- B. The SLC shall determine whether SERS should: (i) seek lead or co-lead plaintiff status in a class action securities litigation or take any other active role, including but not limited to, serving as a class representative, (ii) initiate or join an "opt out" securities litigation, or object to any portion of a proposed settlement of a class action securities litigation as a putative/passive member of the class of claimant investors, (iii) initiate an independent, or join a group that has an established, opt-in securities litigation filed outside of the United States/Canada, and/or (iv) collaborate with Pennsylvania Public School Employees' Retirement System, other Commonwealth entities, and/or non-Commonwealth entities regarding securities litigation matters.
- C. The SLC shall have the Board's authority to: (a) select outside legal counsel in accordance with procedures established by the CCO, and (b) approve the amount of compensation to be paid to outside legal counsel (subject to court approval, where applicable).
- D. For securities litigation matters in which SERS has taken an active role, the SLC shall approve the amount and terms of any settlement of securities litigation claims (subject to any necessary approval of the Office of Attorney General, and to court approval).
- E. In making the decisions described in this Charter, the SLC shall comply with the SLP (and other applicable policies and procedures) and fully consider any evaluations provided by the CCO and other claim evaluators, including but not limited to evaluations by firms in the securities litigation pool and/or consultants retained by the Board. The CCO may coordinate with and seek input from the SERS Investment Office in performing securities litigation evaluations for the SLC's consideration and/or assisting selected outside securities litigation counsel in an active case.
- F. The SLC shall collaborate with the CCO to review the SLP and related policies, resolutions, and procedures on a biennial basis. The SLC shall recommend any changes to such policies and procedures to the Board.
- G. The SLC shall perform such other activities related to the SLC's functions and duties as requested by the Board from time to time.

VI. REPORTING.

- A. Following a Committee meeting, the SLC Chair shall provide a written report to the Board at the next regularly scheduled Board meeting to update the Board as to its activities, findings, recommendations, and any other relevant issues. Following review and approval by the SLC, SLC meeting minutes shall be distributed to the Board.
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- B. If a SLC meeting has been scheduled, the SLC Chair shall share the agenda for the upcoming Committee meeting with the entire Board as soon as practicable.

VII. SELF-EVALUATION.

- A. The SLC shall collaborate with the CCO to review this SLC Charter and the policies and procedures described in this Charter or otherwise overseen by the SLC on a biennial basis. The SLC shall recommend any changes thereto to the Board.
- B. The SLC and each SLC Member shall comply with the Board's self-assessment policies and processes and participate in any independent fiduciary reviews.

VIII. MISCELLANEOUS.

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bylaws.
